

3 March 2004

ENGINEERING AND CONSTRUCTION EFFORTS TO REBUILD IRAQ

Iraq Rebuilding Mission: The United States mission to help rebuild Iraq includes rebuilding ports, roads, airports, schools, water and wastewater treatment and distribution facilities, power production and distribution facilities, and selected government buildings. A goal in Iraq's reconstruction will be to maximize the use of Iraq capabilities. A good source of comprehensive information on doing business in Iraq is available from the Department of Commerce at: <http://www.export.gov/iraq/>. This website is frequently updated and contains information that firms will find essential.

Coalition Provisional Authority Contracts (CPA): The Coalition Provisional Authority created a new Program Management Office that is responsible for prioritizing projects and overseeing Iraq reconstruction prime contracts worth up to \$18.6 billion. Requests for proposals in support of the Iraq Reconstruction contracts were released on 7 January for contracts valued at over \$5 billion. CPA contracts are being solicited with the assistance of the U. S. Army Corps of Engineers (USACE), the U.S. Naval Facilities Command (NAVFAC), and the U.S. Office of the Secretary of Defense (OSD). For the protection of the essential security interests of the United States competition for prime contracts is being limited to firms from the United States, Coalition partners and force contributing countries. Subcontracts are open to firms from all countries. Preference will be given to Iraqi companies or firms with Iraqi partners. U.S. government contracting rules will apply. Contract opportunities are announced at www.rebuilding-iraq.net.

Contracting actions to support CPA include: a Program Management Office Contract (PMOC); Sector Program Management Office Contracts (SPMOC) for Electricity, Oil, Public Works/Water Resources, Security/Justice, Transportation/Communications and Buildings/Health; and, 10 design-build construction contracts. OSD is soliciting the PMOC and the six SPMOC contracts; USACE is soliciting three design-build contracts for the electrical sector, one contract for the security and justice sector, two contracts for the transportation/communications sector, and one contract for public buildings, housing and health; NAVFAC is soliciting three contracts in the public works/water sector. Proposals were due on 2 February for the program management contracts and on 5 February for the design-build contracts.

US Agency for International Development: The USAID Iraq Reconstruction website is: <http://www.usaid.gov/iraq/>. USAID has awarded twelve contracts and five grants for reconstruction work in Iraq including the first major rebuilding contract that was awarded to Bechtel Corporation on April 17, 2003. Contractors and suppliers wishing to work with Bechtel should go to: www.Bechtel.com/Iraq.html. On January 6, 2004, USAID announced it selected Bechtel and Parsons for the Iraq Infrastructure II contract. To provide oversight for the Phase II contractor, USAID posted, on 16 December, an announcement for contract services for "Iraq Phase II Reconstruction Program Advisors and Oversight".

USAID Iraq Reconstruction Contracts POCs – All located in Washington, D.C.
- Tim Beans, Director, Office of Procurement, 202-712-5130

Other U.S. Army Corps of Engineers Contracts: In addition to the solicitations mentioned above, USACE has a contract with Kellogg, Brown and Root to restore the Iraqi oil infrastructure. On 16 January, USACE awarded two Indefinite Delivery/Indefinite Quantity contracts that will continue this effort. Each will have a minimum value of \$500,000. The maximum value for the life of the contract for the northern oil fields will be \$800 million. This contract was awarded to Parsons Iraqi Joint Venture (Parsons, Houston, Texas, and the Worley Group of Australia). The maximum value for the life of the contract for the southern oil fields will be \$1.2 billion. This contract was awarded to Kellogg Brown and Root, Arlington, Virginia. These contracts will replace the current Kellogg, Brown and Root (KBR) contract.

USACE is also in the process of soliciting proposals for multiple contracts for construction management and architect-engineer services in Iraq. Projected award date is 1 March 04. These contracts are being advertised as A-E selections under the Brooks Act. Contracts will be used to support CPA PMO and to support other USACE efforts in Iraq. Projected value for these contracts has not yet been established.

USACE has contracts for handling and destruction of unexploded ordnance and captured enemy weapons in Iraq for CENTCOM. The Corps has issued task orders to its existing contractors for the destruction of captured Iraqi ammunition. Contracts involving ordnance are handled by the U.S. Army Engineering and Support Center, Huntsville. Huntsville is in the process of soliciting for additional contracts. Opportunities can be found through the fedbizopps website.

USACE has also competitively awarded indefinite delivery/indefinite quantity (ID/IQ) design and construction contracts that can be used in the region to Fluor Intercontinental, Perini Corporation and the Washington Group. These contracts are being managed by the USACE Transatlantic Programs Center (TAC) in Winchester, VA. USACE is using these contracts, and one it has for temporary power with IAP World Wide Services, to provide emergency assistance in restoring Iraqi electricity. On 12 January USACE awarded ten additional ID/IQ contracts of similar scope to those mentioned above. A list of these contracts is provided at the end of this paper.

USACE activated the Gulf Region Division (Provisional) in Baghdad on Jan. 25, 2004. The new division brings under one umbrella about 20 separate Corps offices and organizations.

Firms are advised to check the [fedbizopps.gov](http://www.fedbizopps.gov) website periodically for other USACE contract announcements.

State Department Unexploded Ordnance/Demining Operations: State Department has a contract with RONCO Corporation. POC at RONCO is John Wilkinson 202-785-2791.

How to do business with U. S. Agencies: Information on obtaining contracts and contract opportunities with U.S. government agencies including USAID, USACE, NAVFAC and OSD is contained in the following website: <http://www.fedbizopps.gov/>

Iraqi Ministry Contracts: The best current source of opportunities in Iraq is with US agencies, the Coalition Provisional Authority and existing contractors to those entities. However, we understand that opportunities are emerging with the Iraqi ministries. U.S. engineering and construction firms should focus particularly on the Ministries of Planning, Housing and Construction, Oil, Water Resources, Public Works, Environment, and Transportation and Communications and Electricity. The Coalition Provisional Authority has senior advisors working with many of the Ministries. Information on business opportunities with Iraqi Ministries can be found at <http://iraqibusinesscenter.org/>. Successful firms will follow the same procedures they use in other countries including developing long-term relationships and partnering with Iraqi and other Arab nation firms. The Ministries are in different stages of organization. Available information is summarized below.

Ministry of Communication (Minister: Hadir al-Abadi)

Ministry of Construction and Housing (Minister: Bayan Baqir Solagh (Bayan Jabur)). The ministry is responsible for many of the construction projects in Iraq. The ministry is responsible for the national housing program, the national roads and bridges and construction of public buildings. It has three main components: engineering and design, research and development related to construction of infrastructure, and construction. The ministry has twelve state owned general construction companies with offices across the nation. The construction program is carried out by the state owned companies as well as many private Iraqi and international companies.

Ministry of Electricity (Minister: Dr. Ayham Al-Samarrai). The Commission is responsible for Iraq's power plants and distribution systems.

Ministry of Environment: (Minister: Abd al-Rahman Sadiq Karim).

Ministry of Health (Minister: Khadir Abbas)

Minister of Interior (Minister: Nuri Badran)

Ministry of Irrigation (Water resources)(Minister: Dr. Latif Rashid). The Ministry is responsible for water resources development and management and is the "bulk" water supplier for irrigation and municipal and industrial water uses. Infrastructure includes 9 major dams and 500 major pumping stations.

Ministry of Oil (Minister: Dr. Ibrahim Bahr al-Ulum). The Ministry of Oil is responsible for the exploration, production, distribution and marketing of crude oil, as well as the refining and distribution of petroleum products.

Ministry of Planning and Development Coordination (Minister: Dr. Mahdi al-Hafiz). The Planning Ministry is responsible for telecommunications, international standards, contract bid proposals and project planning.

Ministry of Public Works (Minister: Mrs. Nasrin Mustafa Sadiq Barwari). The Ministry withdraws, treats and delivers water to the individual homes and businesses.

Ministry of Science and Technology (Minister: Rashad Umar Mindan)

Ministry of Transport (Minister: Dr. Bahman Ziya Bulus). The Ministry is responsible for Iraq's airfields, ports, waterways, railways, public transport and multi-modal facilities. The strategic plan for the Ministry includes re-establishing river navigation between Shatt El Arab and Baghdad, with dredging, navigation and berth facilities.

U.S. Professional Engineering Societies. The U.S. professional engineering societies are working on voluntary activities for capacity building for Iraq engineers. Leaders in this effort include the American Association of Engineering Societies (AAES), the American Society of Civil Engineers (ASCE), and the Society of American Military Engineers (SAME). All other U.S. engineering societies are also involved. If you wish to participate in this effort contact your society or:

- Tom Price tprice@aaes.org
- Larry Roth lroth@asce.org
- Bill Brown bbrown@psp.com
- Hank Hatch hankhatch@aol.com

World Bank. In accordance with its guidelines for working with countries in conflict, the World Bank is closely monitoring developments in Iraq and maintaining contacts with the United Nations and international donors to exchange information and build a knowledge base on the evolving socio-economic and humanitarian conditions on the ground.

Loans and grants pledged at the International Donor's Conference for Iraq, in Madrid, Spain on October 23-24, 2003, totaled a minimum of \$32 billion, according to an official tally issued by the World Bank today. This amount does not include humanitarian assistance, export credits and guarantees, and in-kind assistance offered by a number of countries. The \$32 billion figure is based on the low end of the range of assistance announced by the World Bank and the International Monetary Fund (IMF), which pledged \$2.5-\$4.5 billion and \$1.7-\$3.4 billion respectively in Madrid. If the high end of this range is calculated, the total loans and grants pledged could rise up to \$36 billion.

United Nations. The primary point of contact for companies is the [Permanent Mission of their respective countries to the United Nations.](#)

How to get established. Like any other business venture getting work in Iraq requires homework and establishing contacts and partnerships.

Firms can find out about business opportunities by surfing the above websites. Firms not wishing to do their own research may wish to purchase copies of the Iraq Business Reporter available at <http://www.tradedatasource.com/>.

Firms may also wish to attend the numerous conferences in the United States and overseas that are organized to discuss reconstruction. These conferences are organized by State, DOD, Commerce, USAID, government contractors such as Bechtel, event organizers such as Equity International <mailto:events@equityintl.us>, New Fields www.new-fields.com, and others.

The Department of Commerce has created the Iraq Reconstruction Task Force within the International Trade Administration to help U.S. companies participate in the economic rebuilding of Iraq. The Task Force can be contacted by calling (866) 352-IRAQ (4727) or by e-mailing IraqInfo@mail.doc.gov. The Commerce website <http://www.export.gov/iraq/> contains a business guide that provides U.S. companies the most up-to-date information on doing business in Iraq. This website also contains information on contacts for awarded contracts that subcontractors and suppliers will find useful. Under "Links" access can be made to a wealth of additional information including Iraq reconstruction web pages established by the U.S. Commercial Service Offices at the US Embassies in Egypt, Jordan, Turkey and the United Arab Emirates. Commercial Service staff can help you identify potential business partners and obtain valuable market intelligence for Iraq. The Department of Commerce is currently serving as economic and trade advisor to the Coalition Provisional Authority (202-482-5677)

The security environment in all of Iraq remains volatile and unpredictable. Travelers are strongly urged to travel in convoys of at least four vehicles in daylight hours only. There is a U.S. consular officer in Baghdad who can provide limited emergency services to U.S. citizens in Iraq and is located at the Iraq Forum (Convention Center) across from the al-Rashid Hotel. American citizens are urged to pay close attention to their personal security and should inform the U.S. consular officer of their presence in Iraq. Private American citizens may obtain the latest security information or other information about Iraq by phone: 1-914-360-1025, fax: 1-914-360-1026, or by e-mail: payneba@orha.centcom. [Detailed security information](#) is also available at <http://www.centcom.mil>, and <http://www.hiciraq.org/>. Updated information on travel and security in Iraq may be obtained from the Department of State by calling 1-888-407-4747 within the United States, or, from overseas, 1-317-472-2328. U.S. citizens who plan to travel to or remain in Iraq should consult the Department of State's latest [Consular Information Sheets](#) and the current [Worldwide Caution Public Announcement](#), which are available on the Department's Internet site at <http://travel.state.gov/>

PARTIAL LIST OF US ENGINEERING AND CONSTRUCTION FIRMS
WITH CONTRACTS APPLICABLE TO RECONSTRUCTION IN IRAQ

Bechtel – USAID contract for reconstruction of Iraq’s infrastructure

Great Lakes Dock and Dredging – dredging at Umm Qasr Port under Bechtel contract

Bechtel/Parsons – Iraq Infrastructure II contract for reconstruction of Iraq’s infrastructure

Kellogg, Brown and Root – USACE contract for extinguishing oil fires and repairs to oil infrastructure.

American International Contractors/Syska/Archirodon LLC - USACE IDIQ design and construction contract

Fluor Intercontinental – USACE IDIQ design and construction contract

Black & Veatch, lead subcontractor for Fluor contract

Perini Corporation - USACE IDIQ design and construction contract

Tetra Tech – subcontractor on the Perini contract

POWER Engineers – subcontractor on the Perini contract

Washington Group - USACE IDIQ design and construction contract

Stanley Consultants – Lead engineer under the Washington Group contract

Stevedoring Services of America – USAID contract for port operations

Berger/Abam Engineers - part of a team to restore and operate the Iraqi Port of Umm Qasr under the Stevedoring Services contract

Parsons – Captured Enemy Ammunition contract

USA Environmental Inc. – Captured Enemy Ammunition contract

Tetra Tech Foster Wheeler – Captured Enemy Ammunition contract

EOD Technology – Captured Enemy Ammunition contract

Zapata Engineering – Captured Enemy Ammunition contract

CH2M Hill/Dragados/Soluziona - USACE IDIQ design and construction contract

Contract International, Inc. - USACE IDIQ design and construction contract

Odebrecht-Austin - USACE IDIQ design and construction contract

Parsons Delaware, Inc. - USACE IDIQ design and construction contract

Shaw Centcom Services LLD - USACE IDIQ design and construction contract

Washington International/Black & Veatch Joint Venture (IDIQ) - USACE IDIQ design and construction contract

Kellogg Brown and Root – Repair of Iraq’s Oil Infrastructure (Southern area)

Parsons / Worley Group of Australia – Repair of Iraq’s Oil Infrastructure (Northern area)